

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7271**

**BILL NUMBER:** SB 269

**NOTE PREPARED:** Feb 27, 2007

**BILL AMENDED:** Feb 22, 2007

**SUBJECT:** Public Work Projects.

**FIRST AUTHOR:** Sen. Heinold

**FIRST SPONSOR:** Rep. Dembowski

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** (Amended) This bill authorizes a political subdivision to perform a public work project by means of its own workforce, without awarding a contract, if the cost of the project is estimated to be less than \$200,000 and the project consists of the construction, reconstruction, repair, alteration, resurfacing, or maintenance of an alley, a road, a street, a highway, or a bridge. (Under current law, a project may be performed by a political subdivision's own workforce only if the cost of the project is less than \$100,000.)

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) The bill could reduce the cost of some local public works projects for construction, reconstruction, repair, alteration, resurfacing, or maintenance of an alley, a road, a street, a highway, or a bridge. The savings would depend on the number of such projects less than \$200,000 and if local units decide to do the project with their own workforces.

*Background Information:* The CY 2006 budget for local highways and bridges, excluding debt service payments, was about \$517.5 M. Starting with CY 2006, local units no longer report appropriations by budget classification. Based on appropriations from CY 2001 to CY 2005, personnel services were about 45% of the budget, supplies about 21%, other services and charges 22%, and capital outlays were about 12% of the budget.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Counties, cities, and towns.

**Information Sources:** Department of Local Government Finance Local Government Database.

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